

Component Products



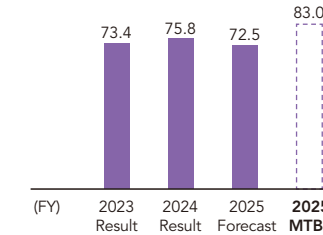
Takashi Inoue
Executive Officer,
Head of Component Products
Division

Message from Head of the Division

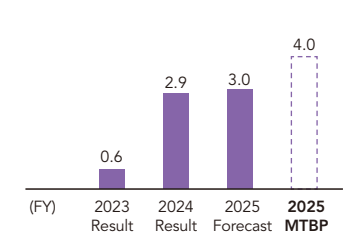
We plan, develop, and manufacture OKI products based on core technologies such as sensing, AI, communication, and output, and sell them broadly to customers in Japan and overseas through our global sales network.

In the printer business, OKI has newly joined ETRIA, a joint venture responsible for developing and manufacturing multifunction printers, thereby completing the business transformation set forth in the Medium-Term Business Plan 2025. Going forward, we aim to realize the benefits of these reforms and achieve stable profits over the medium to long term. In the business communications segment, sales are recovering and profitability has greatly improved thanks to the effects of these reforms. Looking ahead, by further expanding the Edge devices business—which we have positioned as a growth area—we aim to sustain and strengthen overall profitability and establish the division as a stable and sustainable business.

Net Sales
(Billions of yen)



Operating Income
(Billions of yen)



Business Overview

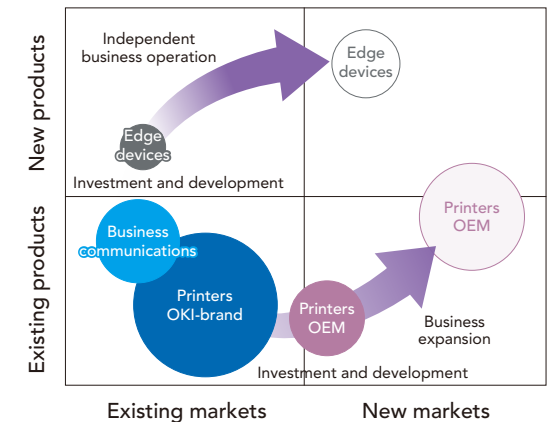
The printer and business communications markets are mature and show a gradual contraction trend, but the market shares of major companies, including OKI, have remained relatively stable. In this market environment, we are working to improve profitability through structural reforms.

For Edge devices, the global infrastructure monitoring market is expected to expand. Leveraging OKI's strengths in energy-saving, wireless technology, and environmental durability, we are expanding our product lineup and driving sales growth both in Japan and overseas.



Business Policy

Under the Medium-Term Business Plan 2025, we aim to stabilize profits by promoting structural reforms in our two core business areas (as shown in the diagram on the right: OKI-branded printers and business communications). This includes reviewing product lineups, reallocating personnel, and optimizing development investments. Additionally, we are making proactive investments in key focus areas, fostering the growth in the Edge device and printer OEM businesses. By driving sustainable stabilization of existing and new businesses in tandem, we aim to achieve steady profitability while also pursuing business growth in new domains that present fresh opportunities.



Understanding the Business Environment

Opportunities	<ul style="list-style-type: none"> In a mature market expected to shrink (with declining sales), as development investments become burdensome for many companies, there are increasing opportunities in the printer engine OEM business, one of OKI's strengths Expanding demand for products that contribute to solving social issues such as infrastructure monitoring for aging infrastructure, increasing severity of natural disasters, and environmental conservation, including carbon-neutral solutions
Threats	<ul style="list-style-type: none"> Continued market contraction due to the maturation of the printer and business communication markets Rising costs associated with compliance due to stricter regulations in such areas as the environment, security, and human rights

Business Strengths and Possible Issues/Challenges


Strengths	<ul style="list-style-type: none"> Streamlining development investments and reducing procurement costs by leveraging economies of scale through participation in ETRIA Assets from a global sales network developed through the printer business Technical expertise in LED, durability, and space-saving solutions cultivated through printer development Communication technology developed through business phone and wireless terminal development, along with sensor technology utilizing frequency analysis
How to address possible issues/challenges	<ul style="list-style-type: none"> Enhancing profitability by continuing structural reforms in the printer and business communication businesses Securing new OEM business partners Entering new markets, such as environmental conservation and disaster prevention, by developing unique products that leverage strong existing technologies

Component Products

Progress of the Medium-Term Business Plan 2025 and Future Outlook

Printers

OKI leverages its strengths in durability, space-saving design, and simple structure (which makes maintenance easy) to target markets with high printing demand, such as distribution, logistics, and pharmaceuticals. By fully utilizing the integration benefits of design and manufacturing through participation in ETRIA, we aim not only to reduce costs but also to expand sales through enhancement of our product lineup and reform of sales channels.

 Please refer to the press release below for details.
OKI joins ETRIA joint venture for multifunction printer development and manufacturing

Business Communications

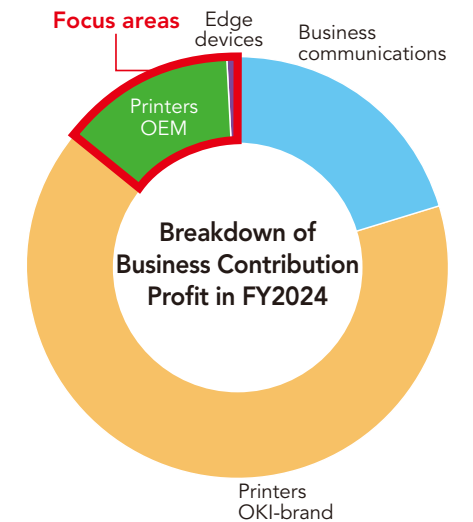
In terms of business communications, we plan to enhance functionalities for environments where communication is crucial, such as field operations and customer interaction points. This will allow us to uncover new needs and expand the use of our solutions, moving beyond the office environments where web conferencing tools are predominantly used. Along with reviewing our product lineup and streamlining fixed costs, we aim to further enhance profitability.

Edge Devices

For Edge devices, we have been advancing product development leveraging OKI's strengths in power-free, energy-saving, and environmental durability technologies. Based on feedback from overseas proof-of-concept testing, we are enhancing value and functions tailored to local needs and aiming to expand overseas sales. We will also apply the expertise and know-how gained overseas to product development in the domestic market.

Furthermore, we are increasing investment to cultivate Edge devices as the next core pillar of our business. By developing products that contribute to society—such as remote monitoring solutions to ensure the safety of infrastructure including railways, roads, and power, and that protect human lives from disasters such as river flooding and landslides—we are helping to realize a safer and more secure society.

CPS Breakdown of Business Contribution Profit in FY2024



TOPICS Value Creation Material Issues | Safe and Convenient Social Infrastructure / Conservation of Global Environment

The infrastructure monitoring market is expected to grow globally, driven by aging infrastructure and the increasing frequency of natural disasters, with an anticipated compound annual growth rate (CAGR) of over 10%. The Zero Energy IoT series, the flagship product of the Edge devices business, achieves high power generation efficiency through compact solar panels, combined with energy-saving functions that allow long-term operation, making it an environmentally contributing product designed with consideration for global environmental conservation.

In fiscal year 2024, OKI conducted railway monitoring demonstrations in Türkiye and Indonesia, gaining extensive expertise

and know-how.

In fiscal year 2025, we plan to launch an overseas version of the Zero Energy IoT series—reflecting on-the-ground feedback—marking the start of full-scale overseas sales.

Also in fiscal year 2025, utilizing subsidies from METI's Global South program, we will conduct monitoring demonstrations of large sinkholes (see right) in Türkiye.

In collaboration with Turkish State Railways, we are developing new technologies to predict and detect large-scale ground subsidence, which has become a serious social issue in Türkiye, thereby contributing further to solving social challenges.

Edge Devices – Zero Energy IoT Series



Ultrasonic water level gauge



High-sensitivity camera



Large sinkholes increasing in Türkiye's grain belt